



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

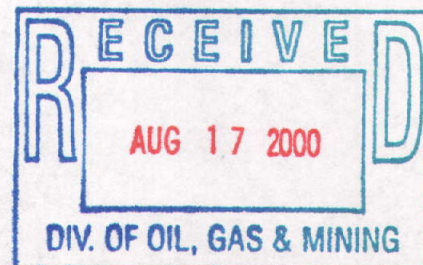
Michael O. Leavitt
Governor

David T. Terry
Director

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<http://www.trustlands.com>

S/003/017

August 16, 2000



William Bown
842 West 400 North
West Bountiful, UT 84087

RE: ML 44911-BSLS; DOGM Permit # S/003/017

Dear Mr. Bown,

The surface of the trust lands disturbed by your mining activities pursuant to mineral lease ML 44911-BSLS were previously exchanged to the United States. ML 44911 expires on August 31, 2000. On August 11, 2000, the Trust Lands Administration advised you of requirement to immediately reclaim all mined land disturbances within the lands. On August 14, 2000, you called me and said that reclamation has been completed to the satisfaction of both the surface owner and the Division of Oil, Gas & Mining.

Before releasing Lessee from the reclamation requirements in my letter of August 11, 2000, the Trust Lands Administration must receive verification from the surface owner and from the Division of Oil, Gas & Mining that reclamation of the mined land disturbances is satisfactorily completed. Please ask the surface owner to send a written statement to the Trust Lands Administration, absolving the State of Utah and the Trust Lands Administration from any further responsibility for surface reclamation of the mined land disturbances created under mineral lease ML 44911, T11N, R16W, SLB&M, Section 36, SE4SE4. The surface owner's statement should also acknowledge consent for the release of Lessee's Surety Bond No. 900633228 by the Trust Lands Administration.

Otherwise, please proceed with the reclamation required in my letter of August 11, 2000, or provide a written recommendation from the surface owner for alternative reclamation of the site.

Please contact me if you have any questions in this matter.

Sincerely,

John T. Blake
Mineral Resources Specialist

cc: Lynn Kunzler